Plan Profile
The California State Teachers’ Retirement System (CalSTRS) was established in 1913 in efforts to provide retirement benefits to educators of California public schools and community colleges. CalSTRS provides retirement, disability and survivor benefits for full-time and part-time California public school educators through a hybrid retirement system consisting of its Defined Benefit, Defined Benefit Supplement and Cash Balance Benefit programs, and a voluntary defined contribution plan.

Since 1994, CalSTRS has offered its members an opportunity to supplement their defined benefit pension through pre-tax or Roth payroll contributions to a lower-cost 403(b) or 457(b) retirement program, thus helping them to bridge their “financial gap.” These programs are collectively offered as CalSTRS Pension2.

As of 12/31/20, there were 22,332 Pension2 participants, with assets in excess of $1.5 billion.

The recordkeeping responsibilities of the CalSTRS Pension2 Program are contracted to a third party, Voya Financial®, who works in partnership with CalSTRS staff to administer the program.

Background Information
CalSTRS operates seven Member Service Centers throughout the state of California. Prior to the pandemic, the Member Service Centers offered in-person, walk-in service, scheduled individual appointments, group educational seminars, and various life-stage specific events throughout the year.

With the Member Service Centers having to close to the public due to the pandemic, being unable to offer in-person services and events threatened to hamper our ability to be there for our members. To continue to offer retirement planning information and education, but in a virtual environment, we created a comprehensive webinar series during National Retirement Security Month to further showcase how Pension2 can help supplement members’ retirement income. The webinars were developed around life-stage – early-career, mid-career, nearing-retirement and general audiences. We offered a different webinar series each week of National Retirement Security Month in an effort to provide targeted information to all of our audience segments.

Getting people to save more for their future isn’t easy, especially when our members automatically contribute to their defined benefit pension plan. On average, CalSTRS members will replace 50-60% of their working salary when they retire through their defined benefit pension plan. In order to maintain their pre-retirement standard of living, it’s important for members to take part in additional supplemental savings to help close the gap between their current income replacement rate and their retirement income goals.

In many school districts, there are numerous voluntary savings plans to choose from, making it even harder for Pension2 to stand out. In California, members have the choice to select from 57 different vendors offering a 403(b) plan under the Any Willing Vendor Act. Most of those providers are high cost annuity companies.

Goals
The overall goal of the event was to increase the retirement readiness of our members as measured by event email engagement, event attendance, new enrollments within the non-participating population and increased savings rates within the existing participant base.

In their own words
I’m very proud of how our team came together during this time to put together such an ambitious and targeted outreach effort. And I’m thrilled with the results we were able to achieve in a virtual environment.

- Sandy Blair, Director of Retirement Readiness, California State Teachers’ Retirement System
Project Description
Operating in a virtual environment meant our primary mode of communication would be email messaging. We engaged our recordkeeping partner, Voya Financial, for assistance with the overall concept and designs, deciding on, “It takes 2,” which implies both the need for supplemental savings, and how Pension2 can help fit that need. The campaign began with targeted enrollment and contribution-increase emails. These were followed by age-segmented emails to promote each of the life-stage specific webinars held during National Retirement Security Month. A second set of targeted enrollment and contribution-increase emails were sent at the end of National Retirement Security Month to conclude the campaign.

Campaign Timeline
- 9/16/20 – Pre-event, targeted enrollment and contribution-increase emails
- 10/5/20 – 10/8/20 – Early-Career Webinar series
- 10/12/20 – 10/15/20 – Mid-Career Webinar series
- 10/20/20 – 10/22/20 – General Audiences Webinar Series
- 10/27/20 – 10/29/20 – Nearing-Retirement Webinar Series
- 11/3/20 – Post-event, targeted enrollment and contribution-increase emails

Results
Email performance and event registration were closely monitored and, if a webinar had not reached capacity, additional email reminders were sent for that specific week. Cumulative results for unique email open rates and unique click through rates are detailed in the table below.

During the campaign timeframe, we generated a significant number of new enrollments and additional assets contributed to the Plan. Results included:

- Targeted Enrollment emails – 488 new enrollments
- Targeted Contribution-increase emails – 30 existing participants increased their contributions, representing more than $38,262/month in additional contributions
- 3,393 registered for a webinar, with 1,937 attending a webinar (57% attendance rate)
- 59 attended a webinar and enrolled in the plan
- 21 attended a webinar and completed a rollover or contract exchange, representing an additional $2M in plan assets

Feasibility of Use
Due to the virtual nature of the National Retirement Security Month event, we believe other government entities could replicate a similar outreach program. The primary tools and resources used included: video conferencing software with registration capability, segmented emails that included registration links and representatives who are familiar with the Pension2 program to present the information.

<table>
<thead>
<tr>
<th>Email</th>
<th>Unique Open Rate</th>
<th>Unique Click Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-event, targeted enrollment and increasing contribution emails</td>
<td>24%</td>
<td>12%</td>
</tr>
<tr>
<td>NRSM webinar promotion emails</td>
<td>26%</td>
<td>10%</td>
</tr>
<tr>
<td>Post-event, targeted enrollment and increasing contribution emails</td>
<td>28%</td>
<td>9%</td>
</tr>
</tbody>
</table>
National Retirement Security Month

Early Career Webinar email

It takes 2

CaISTRS is with you throughout your career

Supplement your CaISTRS defined benefit with a defined contribution plan

Start Saving Now with Pension2®

- Learn how much of your retirement income will come from your CaISTRS defined benefit.
- Determine the gap between your CaISTRS benefit and your retirement income goal.
- See why it pays to start a 403(b) or 457(b) account sooner rather than later.
- Learn how Pension2’s Easy Choice Portfolios can simplify your saving decisions.

Market Volatility with Pension2®

- Understand more about the market and investment choices.
- How Pension2 can support you today

Visit CaISTRS.com or call 800-228-9493, option 3, to speak with a CaISTRS representative and register today.

Mid Career Webinar email

It takes 2

CaISTRS is with you throughout your career

Supplement your CaISTRS defined benefit with a defined contribution plan

Start Saving Now with Pension2®

- Learn how much of your retirement income will come from your CaISTRS defined benefit.
- Determine the gap between your CaISTRS benefit and your retirement income goal.
- See why it pays to start a 403(b) or 457(b) account sooner rather than later.
- Learn how Pension2’s Easy Choice Portfolios can simplify your saving decisions.

Visit CaISTRS.com or call 800-228-9493, option 3, to speak with a CaISTRS representative and register today.

Campaign website banner

For a secure future, it takes 2

Save with CaISTRS Pension2
Targeted Enrollment & Increasing Contributions emails

Pre-event targeted enrollment & increasing emails

Each email contained a variable call-to-action by participants status

- Enroll now or learn more at Pension2.com.

- Increase your contribution today
  Save more in your Pension2 account. Go to 403bCompare.com and select Your Employer, then look for the link on your district’s page. Or contact your payroll department to update a salary reduction agreement.

- Increase your contribution today
  Go to Pension2.com to increase your contribution rate.

Post-event targeted enrollment & increasing emails